Commissioners: E. LEON JACOBS, JR., CHAIRMAN J. TERRY DEASON LILA A. JABER BRAULIO L. BAEZ MICHAEL A. PALECKI



TIMOTHY DEVLIN, DIRECTOR DIVISION OF ECONOMIC REGULATION (850) 413-6900

Public Service Commission

June 18, 2001

Ms. Angela Llewellyn, Administrator Regulatory Affairs Tampa Electric Company Post Office Box 111 Tampa, FL 33601-0111

RE: DOCKET NO. 010668-EI

Dear Ms. Llewellyn:

Staff is in the process of reviewing your petition filed in the above referenced docket. As a result, questions and the need for additional information have arisen and are covered on the attached.

We are hoping to bring this item to Agenda earlier than currently scheduled. For this reason, we ask that your responses be provided by July 30, 2001. Should you have any questions, please contact either myself, or Betty Gardener at (850) 413-6453 and (850) 413-6742, respectively.

Sincerely,

Patricia S. Lee

U S/C Engineering Supervisor

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APP CAF CMP COM CTR **EGR** LEG OPC PAL RGO SEC SER

PSL/BG:slc Attachment Division of Commission Clerk and Administrative Services Division of Legal Services (Hart) Office of Public Counsel Lee L. Willis, Tampa Electric Company

DOCUMENT NUMBER -DATE

- 1. Please provide a list of stations that will be placed in-service and any new construction that will take place for the period beginning January 1, 2001 through December 31, 2004.
- 2. According to the 2001 Ten Year Site plan, the company stated in Chapter IV, "Forecast of Facilities Requirements," page IV-1, that two units, COT Unit 1 and COT Unit 2, have planned in-service dates of April 1, 2001, and the units are fired by natural gas and were developed in partnership with the City of Tampa.
 - a. A copy of the agreement with the City of Tampa.
 - b. Please explain the function of units COT 1 and COT 2.
 - c. Provide the unit type of each.
 - d. Are these existing/repowered units or new units?
 - e. Provide the investment for each unit.
 - f. Whose the owner of the site?
 - g. What is the service area/customer base, and location of each unit?
 - h. Provide the actual in-service date of each unit.
- 3. According to Tampa Electric's 2001 Ten Year Site plan, the Dinner Lake Station is currently on long-term reserve standby status, but per the petition, it will be retired on 12/31/02. Please explain what has occurred to change the status of this station from long-term reserve standby status to retirement by 12/31/02.
- 4. According to Tampa Electric's petition, the Gannon Station combustion turbine unit will be dismantled in 2001 and the cost impact is expected to be immaterial.
 - a. What is the current dismantlement status of the combustion turbine?
 - b. Explain the basis for the company's assertion that the dismantlement impact will be immaterial.
 - c. Explain why there are plans to dismantle the Gannon Combustion turbine following its retirement and yet there are no plans for dismantling the Hookers Point and Dinner Lake stations following their retirement.
- 5. As stated in your petition of May 3, 2001, the company does not propose to modify its dismantlement accruals approved by Order No. PSC-00-0817-PAA-EI to reflect the changes in planning with respect to the Gannon Station Combustion turbine unit, Hookers Point, and Dinner Lake. Please explain the company's position for not updating all necessary schedules as they relate to the impact of current planning decisions that are different from that presented in the 1999 depreciation and dismantlement studies.
- 6. At the time of TECO's last depreciation study, the company stated it had no firm plans for the retirement of the Hookers Point Station. By the company's petition, staff assumes that the 12/31/02 retirement date now represents firm planning. Please provide a discussion of the changed circumstances that now results in the station's retirement.